



4 February, 2015

# ASX Announcement

## NOTICE DISPATCHED TO SHAREHOLDERS

Ferrowest Limited confirms that a notice providing the details of the Non-renounceable Rights Offer, which was announced on 2 February 2015, was dispatched to shareholders yesterday in accordance with the timetable. A copy of the notice is attached.

For further information please contact: Brett Manning – Managing Director +61 8 9277 2600



3 February 2015

Dear Shareholder,

I am pleased to advise that the Ferrowest Limited ("the Company") announced a non-renounceable rights issue on 2 February 2015. As you will be aware from our recent announcements, the Company is seeking to re-position itself with new mineral exploration opportunities that can drive renewed growth for the Company in the near term. To do this, we need the financial resources to secure new mineral project opportunities and advance our current projects. You will receive an Offer document and your personalised Entitlement and Acceptance Form in the near future and I ask you to review the Offer Document carefully when it arrives. If you have any questions, please contact the Company or your professional advisor. We have included the key information about the Offer in this notice.

Thank you in advance for your consideration of this Offer and your support of Ferrowest to date. I hope you will continue to support your Board's efforts to build the enterprise value of our Company.

**NON-RENOUNCEABLE PRO-RATA ISSUE OF SHARES**

**The Offer**

On 2 February 2015, the Company announced that it is undertaking a non-renounceable pro rata issue to eligible shareholders who will be entitled to apply, for one (1) New Shares for every two (2) Shares held at the Record Date (6 February 2015), at an issue price of 0.5 cents per share ("the Offer"). Up to 112,410,000 New Shares will be issued (if fully subscribed) to raise up to \$562,050.

The New Shares will rank equally with the existing ordinary shares. The Company has applied for the quotation of the New Shares on the ASX (ASX Code: FWL). In determining Entitlements, any fractions will be rounded up. The Offer is made in the jurisdictions of Australia and New Zealand.

The Offer is non-renounceable and is available to all Eligible Shareholders (please refer to the Offer Document for details) registered on the Record Date. In calculating Entitlements under the Offer, fractions will be rounded up to the nearest whole number.

An Offer Document in relation to the Offer has been lodged with ASX setting out the timetable for the Offer (shown below). A copy is available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: FWL) and at [www.ferrowest.com.au](http://www.ferrowest.com.au).

**The Offer will close at 5PM WST on 27 February 2015\***

*\*Subject to change in accordance with the Offer.*

As soon as practicable following the Record Date, the Company will dispatch an Offer Document together with a personalised Entitlement and Acceptance Form to Eligible Shareholders. If you are eligible and wish to participate in the Offer, you will need to complete this personalised Entitlement and Acceptance Form and return it with the appropriate application monies to the Company's share registry before 5pm WST on the anticipated closing date of 27 February 2015. A BPay facility is also detailed on the Entitlement and Acceptance Form (there is no need to return the Form with BPay).

### **Shortfall Offer**

**Eligible shareholders and other persons permitted under the Act can also apply for New Shares not otherwise taken up in the Offer at the same price of \$0.005 per Share ("Shortfall Shares").**

Shortfall shares may be placed, entirely at the discretion of the Directors, to parties permitted to subscribe for shortfall shares under the Act and the terms of the Offer with the following limitations:

1. Shortfall shares will not be placed with Related Parties of the Company;
2. No one party shall be issued more shortfall shares, when combined with any other shareholding of ordinary shares in the Company, that would result in that party holding more than 15% of the total ordinary shares on issue at completion of rights issue;
3. In the event that there are applications for more shortfall shares from eligible shareholders than the directors determine to allot, then, subject to 1 and 2 above, the applications shall be scaled back on a pro-rata entitlement basis where practical as determined by the Directors.

Further details are available in Section 3.9 of the Offer Document.

### **Timetable**

The timetable for the Offer is as follows:

<b>Event</b>	<b>Timetable</b>
Release of Offer Document, Appendix 3B & Section 708AA Notice to ASX	2 February 2015
Notice sent to Shareholders	3 February 2015
Ex Date (The date from which the Securities will trade without the Entitlement)	4 February 2015
Record Date (The date for determining Entitlements for Eligible Shareholders)	6 February 2015
Offer Document dispatched to Shareholders	11 February 2015
Rights Issue Opens	11 February 2015
Last date to extend the Offer Closing Date	24 February 2015
Closing Date* (5:00PM WST)	27 February 2015
Shares quoted on a deferred settlement basis*	2 March 2015
ASX notified of under subscriptions*	4 March 2015
Issue Date*	6 March 2015
Dispatch of holding statements*	6 March 2015

*\* Subject to compliance with the Listing Rules, the Directors reserve the right to extend the Closing Date and alter the balance of the timetable accordingly*

### No Rights Trading

Your rights to New Shares under the Offer are non-renounceable.

### Risks

The Offer Document includes details of the Offer and the risks associated with investing in the Company. It is recommended that you read the Offer Document carefully and, if you are interested in participating in the Offer, seek independent professional advice.

### Use of Proceeds

The Company intends to apply the funds raised from the Offer (after costs) to:

- (a) Continued exploration of the Company's projects;
- (b) Investigation and due-diligence of new mineral project opportunities; and
- (c) For working capital purposes including the retirement of some debt.

The cash costs of the Offer will be approximately \$8,050 (assuming full subscription).

### Underwriting

The Offer is not underwritten.

### Capital Structure

The capital structure of the Company following completion of the Offer (fully subscribed) is detailed below:

Security Type	Before the Offer	Issued under the Offer	After the Offer
Shares (FWL)	224,819,808	112,410,000	337,229,808
Unlisted Options	3,500,000	-	3,500,000
Convertible Notes	1,078	-	1,078

*Note: The number of Shares issued under the Offer and the number of Shares on issue after the Offer, both assume that no Options currently on issue are exercised prior to the Record Date.*

Yours sincerely,

A handwritten signature in black ink, appearing to read "Brett Manning", with a stylized flourish at the end.

Brett Manning  
Managing Director